Performance Appraisal Of A Chief Administrative Officer

PERFORMANCE APPRAISAL OF A CHIEF ADMINISTRATIVE OFFICER

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90-05844/

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1. WHAT IS A CHIEF ADMINISTRATIVE OFFICER

Within the parameters established by of the Municipal Government Act, Council has the authority to determine the type of structure which it feels will best serve the needs of the community. While there are various options from which to choose, the history of communities in Alberta has reflected variations of two major models: a strong chief administrative officer (CAO) system and a senior department head/weak chief administrative officer system.

Section 47 through 50 of the Municipal Government Act describes these choices for Council in terms of outlining the type of senior officer who might be appointed. As noted in the Act, a Council may choose to appoint a secretary treasurer (or a municipal secretary and a municipal treasurer), or a municipal administrator, or a commissioner/manager.

Each of these choices conveys with it varying degrees of authority for the senior officer to take action independently of Council. Communities which employ secretary-treasurers or municipal administrators are generally those of a small urban population (ie. less than 2,000), or of a rural nature. The degree of authority allocated to the senior staff member in these instances tends to reflect the bias of Council in retaining strong control over both legislative and administrative aspects of local government. That is, less of the executive powers of a Council are delegated than would normally be the case in a strong manager system.

Conversely, Councils which employ a manager or commissioner are, for the most part, larger urban centres (in general terms, 2,000 population or higher) or larger rural municipalities. In this instance, it is often the intent of Council to delegate to the manager/commissioner the day to day authority of managing the administrative aspects of the organization. That is, Council recognizes its own fundamental role of setting policy while delegating the actual administration of policy to those with the necessary professional expertise.

The strong chief administrative officer system is designed to delineate the boundaries of authority between staff and Council. This is often achieved, at least in part, through the development of a Council's role in establishing policies and by the delegation of approved policies to the manager and his (or her) staff for implementation.

Thus, in a council manager/commissioner bylaw, the manager is often granted the authority to:

- hire and fire staff below the level of department heads;
- recommend the suspension or dismissal of department heads;
- approve purchases up to a certain set amount;
- issue administrative orders within the context of Council policies;
- recommend and advise upon new policies and programs; and
- execute policies, decisions and orders of Council.

In a national study commissioned several years ago by the Federation of Canadian Municipalities, it was determined that the most successful (i.e. as defined by pre-set criteria) administrative system utilized across Canada was that of the chief administrative officer system. This independent review concluded the best possible system involved a recognition of the powers and perogatives of Council vis-a-vis its policy setting role, and delegation of those policies to a strong, centrally controlled administration for their implementation.

The chief administrative officer system simply implies that Council has determined it will provide direction to the rest of the organization through one individual in whom Council places considerable trust and authority to discharge its will.

As the senior staff member appointed by Council, the chief administrative officer is the connecting link between Council and its hired employees. He (or she) must be capable, by virtue of his (or her) training and experience, of advising and assisting the members of Council in the development of its policies and decisions. It is then up to the CAO to interpret these and relay them in the form of work assignments throughout the organization. Further, the CAO must ensure there are the necessary checks and balances to ensure prompt and satisfactory performance by all employees.

The CAO is the senior employee of Council. As such, he (or she) assists Council in arriving at its policies and decisions and arranges for their efficient execution by staff. In a complex organization which faces a multitude of challenges and responsibilities, most Councils rely upon the professional expertise of a manager in ensuring an appropriate process of decision-making is developed and rigorously applied; staff are regularly reviewed; appropriate training is made available; the organizational health is maintained; and all reasonable steps are taken to run a professional organization within approved Council policies.

In summary, the CAO must be:

- an advisor to Council, providing input on virtually all decisions based on technical expertise and managerial experience;
- a leader to staff, serving as a mentor, coach, counsellor and disciplinarian;
- a confidant to those on Council (and staff) who confide in him/her their confidential views on operations, policies and people;
- a coordinator of senior, experienced colleagues who may have strongly-held views on all manner of issues;
- a source of information to the public and possibly to the media.

The chief administrative officer is the key paid staff member of the Council and is the individual to whom Council turns over the organization and its resources to be administered effectively on a day-to-day basis. If the mayor (or reeve) is the chief executive officer or the corporation, the manager is the chief operating officer. It is a position of considerable authority and influence and one which requires a high degree of trust between Council and its CAO.

2. WHY A PERFORMANCE APPRAISAL

The position of a municipal chief administrative officer bears some unique characteristics. Not only must he (or she) receive direction from a group whose individual concerns, motivations and opinions vary, but, at the same time, he (or she) must serve as their principal technical or expert advisor.

In addition, the CAO must relate to the public both directly and indirectly through his(or her) staff in a manner that does not in any way conflict with or prejudice the aims and objectives of Council or any one of its members.

A municipal manager must wear a number of hats simultaneously, each quite different and yet each very important. Council expects the CAO to be an effective advisor; a knowledgeable municipal generalist; a sound manager of people; a conceptual thinker; a pragmatist; a diplomat and a disciplinarian.

The successful performance of such a role will depend on the amount, frequency and quality of the feedback the CAO receives from Council. If the organization is small and relations relatively close and somewhat informal, this may come easily. In most situations, however, this is not the case and the CAO may find he (or she) is forced to relate with the public regarding matters for which clear direction from Council is lacking.

Councils also need to realize that the perception by the public of Council's effectiveness in managing the affairs of the community is in large measure influenced by their view of the abilities of their staff both individually and as a whole. That is, both Council and staff may be similarly viewed by some as "Town Hall" without regard to their different roles.

It may be Council has been making intelligent and appropriate choices with regard to issues but their performance as a legislative body has been overshadowed by the public's negative perception of their administrative systems and personnel.

It is therefore incumbent on Council to develop and maintain a system that will provide it with a continuing awareness of the performance of staff and a channel through which to relay this information back to them. In this context, the principal actor will be the CAO. A positive and healthy CAO - Council relationship between the elected officials and the CAO should be expected if the organization is to achieve its goals and objectives in a satisfactory manner.

While there are those who disagree with the value of performance reviews, the general consensus of management experts is some form of appraisal or review is essential to improved performance. Unfortunately, some organizations become trapped by an inappropriate or misused format and lose sight of the objectives of a formal review. As a result, not only is the format abolished or disregarded, so too is the actual review session.

It has been found regular, comprehensive review sessions based on honest and full disclosure between both the Council and the manager are one of the key building blocks of a lasting, healthy relationship between Council and the CAO. Even though the current relationship may be perceived by Council to be normal and acceptable, there needs to be a process which enables, or indeed requires, Council to provide such an assessment to the CAO. Otherwise the relationship can deteriorate quickly without an appropriate mechanism to ensure the awareness of the CAO as to the problems or inadequacies perceived by Council.

Conversely, Council needs to be aware all of us like feedback on our performance. We need to know where we stand in relation to agreed upon standards. When the job has been well done, the CAO needs to know his (or her) performance meets or exceeds expectations. Performance feedback is a real motivator and will likely result in even better results and a happier, more contented employee. Where the results are less than satisfactory, the CAO needs to hear that assessment in order to recognize the areas in which improvement is sought.

A performance appraisal system for the chief administrative officer is a necessity and should be seen as separate from that applied to the rest of the staff. This is primarily because the only competent adjudication of this individual's performance will be from the Council as a group and a part of their assessment will, of necessity, be subjective in nature rather than objectively measured. Most members of Council may not have the opportunity to view the CAO in action on a daily basis. Instead their exposure may be limited to contact necessitated largely by meetings. As a result, other criteria must be sought which are appropriate to Council as a whole and which take into account the differences of this relationship vis-a-vis that of other boss-subordinate relationships.

The performance of the CAO can have such a direct and lasting impact on the ability of Council to carryout its mandate that a functional and successful relationship should be viewed as essential. It is in everyone's best interests that an atmosphere of trust and respect develop and characterize this relationship.

If properly performed, a performance appraisal of the CAO can be expected to serve any or all of the following purposes:

1. to formally discuss the relationship which should exist between the municipality and its chief administrative officer;

2. to relate performance to the role, responsibilities, authority and duties as defined in the bylaw and job description;;

3. to set objectives and criteria for future evaluation;

4. to recognize strengths and weaknesses and reward or correct them; and

5. to serve as a basis for salary adjustment.

3. PROBLEMS AND PITFALLS

There are various reasons why municipal Councils and managers alike often do not want to become involved in a performance review process. While it is our view that appraisals are an essential tool of effective management and positive Council-staff relations, we recognize that there are problems with the process. As a result, there are a number of reasons why performance reviews are not undertaken. Let us review the major objections so that they do not cause problems later on.

POTENTIAL PROBLEMS

Limited Exposure

Performance reviews imply judgments based on exposure to the individual being assessed. Some Councils or members of Council will argue their limited day-to-day experience with the CAO does not provide a suitable basis on which to formulate any rational or comprehensive assessment. While infrequent contact will limit an appraisal, it is still the members of Council to whom the CAO reports. In the final analysis, Council is responsible for ensuring that the CAO performs to the expectations of the public.

It may well be the Mayor/Reeve and some members of Council will have more contact with the CAO than other members. Those with a greater degree of exposure should be encouraged to discuss their observations quite openly with all of Council so that a full dialogue might result. With each member sharing his (or her) observations, Council as a whole will be able to develop a composite picture of the performance of the CAO. This should help to alleviate the concerns of any members who feel that inadequate contact should prevent formalized performance feedback.

Lack of Experience

A second problem cited by some is their lack of experience in conducting staff reviews. Some members of Council may never have served in a managerial capacity before and thus be totally unfamiliar with an appraisal process. As a result, the mere prospect of conducting the first appraisal may be somewhat unnerving. Exercising influence and control over someone else's livelihood is an onerous, responsible duty and not one to be taken lightly. Nevertheless, lack of experience simply increases the challenge associated with conducting the first appraisal.

Lack of Consensus

A potential third is the lack of unanimity on a particular Council and thus the likelihood of argument and conflict even before the process gets underway. While it is unfortunate there are major personality or philosophical differences on a Council from time-to-time, the expectation of significant disagreement should not deter Council as a whole from carrying out this important task. Obviously, the Mayor/Reeve (or chairman of the review committee) will need to point to these differences of opinion while assuring the CAO a majority support his (or her) views.

Implied Results

Some Councils are reluctant to become involved in performance reviews because they fear an appraisal may imply a salary increase is forthcoming. It is felt by some every employee expects an increase after each appraisal. Indeed, the current compensation system for all the employees may be based more on longevity than on performance. Unless increases are automatic, Council should clearly indicate to the CAO at the outset that an increase may be forthcoming but such a decision will be made at a separate meeting of Council. That is, the values of a performance review should be stressed rather than allowing the focus to shift to a potential change in compensation.

Reduced Flexibility for Council

Other Councils have become uneasy with their manager and try to encourage him (or her) to leave without going through a performance review. Such Councils have already decided the CAO cannot change sufficiently to warrant continued employment. They fear a review technique might delay the process of dismissal due to the fact that the CAO must be given clear direction as to his (or her) inadequacies and the time to undertake some corrective action. Some Councils perceive that will simply slow down the inevitable.

While performance reviews will not stop a dismissed CAO from taking legal action, a reasonable, step by step review process should ensure that the CAO has been provided a clear indication of performance problems and sufficient time to take the necessary corrective action. If reviews are done properly, the likelihood of costly legal settlements will be considerably less than otherwise.

4. PERFORMANCE APPRAISAL CRITERIA

While it may seem to a Council to be a difficult task to evaluate their chief administrative officer, there are various criteria which could be considered in assessing managerial performance. As these criteria are suggestions only, Council may wish to consider others. Indeed, the CAO may have his (or her) own suggestions as to which criteria would be the most suitable and fair in relation to the content and expectations of the job.

In conducting the appraisal of a CAO, Council is essentially asking itself the question "Does the CAO meet our expectations? If so, how do we know - on what basis can such an assessment be made?"

There are both tangible and intangible features to consider. Council certainly expects the CAO to follow through and deliver on the objectives which have previously been jointly established. There will be identifiable tasks for the CAO to pursue and finalize. For example, Council (or the CAO) may see the need to conduct a complete review of the current job descriptions, resulting in those which are more up-to-date. Or, the CAO may decide that a review of a particular department is required by year end. Or, Council may request the CAO to work with Council in developing a corporate plan.

Work projects or objectives such as the foregoing examples, can be defined with target dates established. The description of these may begin with the CAO or with Council. Regardless, these should be itemized and properly described; dates targeted; and jointly agreed upon by both parties.

The review conducted by Council will be affected by the degree of contact each member of Council has with the CAO. The review is also affected by the experience of members of Council in appraising senior level staff. Regardless, there is a very real need for the CAO to have his (or her) performance assessed by the supervisor, in this instance, the Mayor/Reeve and Council (or a committee thereof).

In conducting this assessment, the Mayor/Reeve and Council should recognize such an evaluation must be based both upon clear objectives and less tangible factors. For members of Council who have infrequent contact with the manager, it may be difficult to complete all assessments but, nevertheless, an appraisal by Council as a whole is strongly recommended.

The full Council should be involved in a preliminary discussion during which the strengths and weaknesses of the incumbent are fully examined. This will provide a better base on which the actual evaluation can proceed.

Finally, while generally the evaluation should be based on performance rather than personality, it should be recognized that personality characteristics cannot be divorced from the performance of a CAO. Personality will dictate to a considerable extent how other individuals react to the manager, and consequently individual personality will reflect on the ultimate performance of the organization.

In the final analysis, Council will need to assess its overall degree of confidence in the way the CAO is discharging his (or her) duties. Where the CAO is performing to Council's expectations, credit should be given. Where there is a shortfall in performance, Council should give specific feedback and specify the required changes.

Although the way in which the key elements of the CAO's position is viewed by Council could vary somewhat, it should at least include careful consideration of the following areas:

- relationship to Council
- relationship to staff
- image with the public and media
- management and leadership practices
- objectives and accomplishments
- areas for improvement/suggested training

Managers should be appraised on a regular basis and given the opportunity to participate in the performance review. This being said, the criteria the Council uses in determining whether or not the CAO is right for the community needs to be developed and agreed to by Council.

We would like to suggest the following as potential criteria for your use. It may well be Council may decide to change these or add others in order to fully capture the flavor of the job in your local municipality. These criteria then, are as follows:

1. Relationship to Council

   - Does the CAO respect the role of Council as a whole and of individual Councillors?

   - Does the CAO convey his (or her) support of Council to the staff and to those external to the organization?

   - Does the CAO enjoy a reasonably workable relationship with the Mayor/Reeve and Council?

   - Does the CAO respect the power and authority of Council and thus understand the limitations of his (or her) own position?

2. Relationship to Staff

- Does the CAO provide effective leadership to staff on an ongoing basis?
- Does the CAO appear to involve the senior staff in the decision-making process?
- Does the CAO ensure the staff are suitably informed with regards to the decisions of Council?
- Does the CAO provide senior staff with a positive role model?
- Does the CAO appear to support senior staff in pursuing the appropriate training necessary to further enhance their skill development?
- Does the CAO appear to listen to staff input and respond accordingly?
- Is the CAO capable of motivating, counselling and disciplining as necessary? Are these roles regularly performed?

3. Understanding the Community

- Does the CAO have a clear understanding of the background to most of the major issues and does he (or she) demonstrate understanding in the decision-making process?

- Has the CAO taken steps to make sure he (or she) is aware of the key decision-makers within the community and their views on the issues of the day?

- Has the CAO found suitable ways of ensuring the public is informed with regard to the services available at the Municipal building?

- Does the CAO appear to be effective in dealing with the public and community leaders?

4. Management Practices

- How would you as a Council member, based on your knowledge and exposure to these areas, rate the CAO with regard to his (or her) ability in the following central areas of managerial expertise:

  - advisory role to council; communication of issues and recommended solutions;
  - performance reviews of senior management staff;
  - the development of policies for acceptance by Council;
  - the development of recommendations;
  - the deployment of a sound compensation system;
  - a systematic way of approaching the budget process and the provision of financial information to Council;
  - management information systems (computers);
  - human resource management practices; and
  - integration of the staff resources

5. The Degree of Fit "With the Community"

- Does the CAO seem to mix well with other members of the community?
- Does the style of the CAO adapt well to the style of this community?
- Does the CAO portray publicly his (or her) support of the corporate goals of the Council?

These are simply some of the criteria which could be used to properly assess the Council - CAO relationship. There are likely other areas of equal or considerable importance which could be taken into consideration. In many instances, the assessment may need to rely upon personal observation as well as the comments and actions of other senior staff. It is not appropriate to directly solicit their individual opinions on the CAO's performance. Such action, regardless of how well intentioned, may undermine a normal, healthy relationship between the CAO and his (or her) subordinates.

5. RELATIONSHIP TO COUNCIL

Central to a CAO's performance is his (or her) relationship to Council as a whole. As the principal staff member within a municipal organization, the CAO/manager/ commissioner occupies a very special position in relation to Council. This individual is Council's key link to the rest of the organization and thus the regulator of communication between Council and the staff.

Not only must he (or she) be aware of Council's concerns on a day-to-day basis, but also be ready at all times to provide "expert" assistance in the form of research or direct advice in the course of Council deliberations. Above all, the CAO must be available to Council, without appearing to dominate or usurp the role of any of its members. It is essential, at all times, that there be a clear recognition of the ultimate authority of Council and a genuine respect for the right of Council to make policy decisions within the limits of government legislation.

How this relationship is expressed will vary from one municipality to another. In most cases, the CAO is generally expected to attend and advise at all Council meetings and the majority of key committee/board meetings. In other communities, the CAO may be at liberty to delegate most committee or board meetings to other members of senior staff. The primary objective should be a healthy, two way flow of information between the CAO and Council.

A mature relationship will be characterized by a recognition that the opinions of Council and of the CAO will not always be parallel. The CAO's academic preparation and professional expertise may suggest one course of action while the political views of Council favor another. Such a response will occur from time to time and should be seen as within the bounds of a normal, healthy relationship. Regardless of the potential for hearing a view(s) contrary to its own, Council should expect and, indeed, require that the CAO's recommendations and analysis be consistently presented.

Indeed, the CAO may become cognizant of the fact that Council's proposed action(s) is illegal according to the legislation. An experienced CAO will recognize that this advice must be presented regardless of the outcome or Council's reception of that advice.

When one realizes that municipal Council meetings are normally subject to public scrutiny both directly and via the media, the relationship between Council and the CAO and its perception by the public will be seen to be of considerable importance. There is strong evidence to suggest that the opinion of the public vis-a-vis the performance of Council will be strongly affected by their impression of the competency of staff, and particularly that of the CAO. In many instances, the staff will be the most frequent point of contact for the public with the municipality.

Given the fact that Councils change from time to time as a result of the election process, it should be obvious that there will need to be an assessment of the relationship between any new Council and the CAO. Such a discussion is necessary to ensure the activities of the CAO are in support of the preferred direction of Council. It may well be that the community elects a Council which is particularly pro-active and anxious to bring about "a new order of things". Conversely, such a Council may be served by a manager who has grown up in the old system or who is simply more comfortable in operating under the old rules. It will take some time for this new relationship to be ironed out unless, of course, either party determines they are unable to reconcile the differences.

Due to the fact that Council relies heavily upon the expertise and advice of the chief administrative officer, it is particularly important that the CAO enjoy the confidence of Council. This confidence will be eroded over time if attention is not paid to this relationship and if the respective policy preferences or styles conflict to a significant degree. Given the significance of the Council - CAO relationship, a healthy atmosphere of trust is essential. Council members need to feel assured their collective will, as expressed in resolutions approved by the majority, is being promptly and appropriately translated into action by the CAO.

It is important Council as a whole not allow a relationship between one member of Council and the Chief Administrative Officer to impact all other relationships. It may well be the CAO has to deny a request from a particular member of Council given the request has not been endorsed by Council as a whole. Where that happens, the CAO should try to explain why he (or she) has taken that position. From time to time, however, a conflict may arise as the CAO may simply have to respond in the negative to a request for action from a councillor. This is often traumatic for the CAO, as a Councillor has a considerable degree of influence over the continued tenure of the CAO.

An astute CAO needs to be alert to the potential for any problems in either personality or performance vis-a-vis that of the members of Council. The CAO must be able to determine what aspects of his (or her) work performance or personality are offensive to the member(s) in question and to take those reasonable steps necessary to alleviate such concern. While this may not always be possible, it is our view that municipal managers should be prepared to expend that type of effort.

Or, quite simply, the CAO and a member(s) of Council may have a philosophical difference of opinion with regard to how certain decisions should be handled. This policy difference may eventually become personalized to the extent relationships between the two parties deteriorate. It is important the majority of Council not allow its relationship to the manager to decline simply due to a personality clash with one of the other members. This would be blatantly unfair to the manager and would reduce the overall authority of Council as indeed one member would then be unreasonably influencing Council policy.

The CAO is expected to be a professional manager whose actions are governed by high ethical standards. The CAO should be recognized as apolitical (i.e., non-partisan and thus one whose recommendations are unaffected by political considerations).

In the final analysis, the employment of a CAO by Council should be based on trust, commitment and an ongoing willingness for communication between both parties. Regular, formal and informal communication will help to ensure that problems are identified early and addressed promptly.

This requires, not only a willingness to meet and discuss issues and performance-related matters but also a commitment to an actual timetable to do so. Without a planned schedule of meetings just between the Council and CAO, the best of intentions may go astray. Council may presume because it sees the CAO on a regular basis, it is covering all the issues that need to be covered in those general sessions. Similarly, the CAO may be reluctant to remind Council of its commitments to meet with him (or her) alone to discuss performances and issues related to the overall municipality. A regular schedule of informal, in camera, performance review meetings can do much to ensure the relationship between Council and the CAO is maintained in an atmosphere of open communication.

The relationship of Council and CAO is central to the good government of a municipality. It must be characterized by trust; confidence; a willingness to communicate honestly; shared perceptions; a sense of comraderie; respect for the uniqueness of each role; and a recognition of the other's right to hold not only different positions but also differing views.

In the final analysis, this relationship between Council and the CAO is one of the keys to an effective municipal organization. Where there is open and full communication, trust, confidence, respect for differing opinions and regular feedback, there is likely to exist a healthy relationship between the two. In such an atmosphere, the respective roles are allowed to develop to their capacities.

6. RELATIONSHIP TO STAFF

Another key criteria to be considered in the evaluation of a CAO is his (or her) relationship to that of the municipal staff. Important as the relations of the CAO with Council may be, his (or her) true worth to the organization cannot be realized without considering its proper expression through the efforts of the employees.

One of the key responsibilities of a municipal CAO is the management of human resources. Under a CAO system, Council delegates to the manager the authority to provide staff direction, guidance and discipline. The manager is expected to get the most out of his (or her) staff and to work with the staff in developing their own sense of confidence and their skills.

In this regard, the CAO is seen to be the administrative leader, capable of exercising both a sense of vision for the organization and an ability to guide his (or her) subordinates on a day to day basis. Such a broad range of requirements dictates the CAO be able to view problems and issues with a long range perspective (or vision), while at the same time being cognizant of the day to day struggles confronted by staff. Often managers are capable of doing one or the other but may have difficulty with handling both responsibilities.

Both senior and junior staff look to their administrative leader, the CAO, to help them understand the organization's expectations and to assist them in recognizing the relationship of their own work to the entire organization. Further, there is an expectation the manager will involve staff in the process of setting annual goals and objectives through a corporate planning process. This will assist in this orientation process and in developing a commitment to long range and short term goals.

At the same time, however, the CAO is not simply to be a long range thinker or a visionary but also someone who is familiar with the day to day problems and dilemmas faced by staff. Thus, the CAO must be a generalist, capable of providing practical and timely advice. He (or she) must have a general sense of how the organization should be run, as well as a working knowledge of the key responsibilities within the system.

The CAO is also viewed as a mentor. This role requires the CAO provide a sound example of management skills and personal integrity so his (or her) staff can emulate those attributes and better develop as managers in their own right. Within an organization such as a municipality, a CAO has considerable potential to influence the abilities and attitudes of his (or her) subordinate staff. How the manager utilizes this role and understands its expectations, will, to a large extent, influence the character and abilities of subordinates.

The CAO is also expected to play the somewhat contradictory roles of coach and disciplinarian. On the one hand, the CAO should be providing ongoing advice and counsel to his (or her) subordinates with regard to the performance of their work. He (or she) should be a motivator and source of encouragement to staff in order to elicit their willingness to perform to the peak of their ability.

And yet, there is also the requirement or expectation of the CAO that he (or she) be able to provide firm yet fair discipline when required. While most managers would prefer to be liked by their staff, it is our view that the respect of staff is even more important. This can only be achieved if the CAO (with the approval of Council) is able to provide the discipline necessary to correct problems and to rectify weaknesses. Certainly, a manager cannot afford to overlook the problems of staff when indeed those same issues are going to have a negative impact on the rest of the organization. The manager cannot hope the problems or issues will fade over time but, rather, he (or she) should expect to take charge and change the situation. This will require the approval of Council to take independent action as he situation warrants.

At minimum, the CAO will be expected to hold a confidential meeting with the errant subordinates to see if coaching will improve the situation. If not, a range of more stringent actions such as suspension, docking of pay, or reduced management latitude may be necessitated. The key responsibility of the manager, however, is to pinpoint problems of significance and use those same problems as building tools for at least the individual involved if not the entire organization. Depending upon the significance of the situation and the size (and culture) of the municipality, the CAO might be expected to at least keep Council appraised of any action taken.

Any evaluation of a CAO has to consider these diverse factors and roles of conceptual leader, corporate planner, advisor to staff, mentor, coach and disciplinarian. While each municipality may weight their importance somewhat differently, they present a collective picture of the roles of a CAO in relationship to the subordinate staff. As managing has been described as "the art of accomplishing something through others", an obvious key ingredient to any thorough evaluation will need to be the type of relationship the manager has developed with his (or her) subordinates, particularly the department heads.

7. RELATIONS WITH THE PUBLIC AND THE MEDIA

As a highly placed public servant, the chief administrative officer of a municipality is very much exposed to the public view. To many people, especially in smaller communities, he (or she) may be their main link to Town Hall and the one to whom many local community problems must be taken. To the press, he (or she) is always a potential source of local news or background information.

The relationship of the CAO towards the public and the press will depend to a great extent on the particular style and personality of the individual. He (or she) will, however, inevitably be constrained or directed by the policies, wishes and directions of the Mayor/Reeve and their Council members.

Some municipalities allow not only the CAO, but certain other employees as well, considerable freedom in their day to day business with the public. The CAO may, for instance, be authorized to relay certain information on Council business to the community either directly or via the press. In other cases, Council might choose to reserve this function to themselves or specifically to the Mayor/Reeve. Typically, it is wise to restrict comment on matters dealing with new policy or policy interpretation to the elected officials.

It is the responsibility of the CAO to exercise discretion in knowing "how far to go" vis-a-vis the exercise of powers accorded to the position by bylaw and position description. If the municipality has a well developed policy system, the manager's job in this area will be considerably simplified. If it does not, the manager should lose no time in promoting the introduction of such a system.

In the final analysis however, it is the CAO who presents to the public an image of straightforwardness and honesty who will enjoy the best relations with the public. In attempting to achieve this, one of the most effective things a manager can do is become involved in community affairs and activities to the extent work and family commitments permit. Such involvement allows the community to develop a broader appreciation of the CAO's background, skills and outside interests.

The choice of volunteer activities in most communities is quite wide. They range from the nationally and internationally established service clubs such as Kinsmen, Rotary, Elks or Shriners, to the Canadian Legion or various sporting or athletic organizations.

If personal preference and time do permit belonging to local groups, the CAO will have to seriously consider the level to which he (or she) wishes to become involved. Acting as a member of a local group may not typically bring the CAO into conflict with Council but, in certain instances, being the main spokesman might e.g. serving as president of the local chamber of commerce.

Due to the perceived potential for conflict, a manager should consider discussing such matters with the Council prior to making a formal commitment. Some managers prefer not to join any local groups (except a local church) on an active basis or at least not as an executive member. This is a personal decision and should be taken once all the pertinent factors have been fully considered. An open discussion with the Council may be useful in this regard.

There is, however, a real need for a CAO to develop a good rapport with the general public. He (or she) should be visible without usurping the role of Council and without becoming the media star in the community. The CAO should be viewed as approachable and open to the views and, yes, the complaints of the public. When a "No" answer is necessitated, the CAO should be capable of saying that in an inoffensive manner.

Further, the rapport which the CAO develops with Council and with his (or her) staff will disseminate to the public. If the CAO is described as being "upfront" or having "high integrity" or "responds like a seasoned yet caring professional", then a positive public image will likely follow. While the CAO is often the one who has to respond negatively to requests from the public, such a response can be delivered effectively and with due consideration and tact. Providing the response is justifiable according to official policy, the public will learn to accept the process and powers of decision-making. Advice to the public on how current policies might be changed is always appropriate. Both Council and staff are in the "serving" business. Policies need not always be justified, simply explained.

In the evaluation of a CAO, it is likely a Council will want to assess the relationship of its manager to the public and the media. Such an appraisal will need to be balanced and take into consideration all relevant inputs. The criticism of individuals should not be taken as a majority of citizens, even though it cannot be ignored. And, the fact that the CAO and the media may be at odds may reflect more Council policy than the actual preferences of the CAO.

Council will want to know it is served by a CAO who understands and appreciates the changing and often contradictory views of the public. Due to the highly political nature of Council business, it is imperative the will of the public be fully recognized in all of Council decisions. And while the CAO should not be an advocate of one public cause vis-a-vis another, the CAO can be very helpful to the public by explaining the process of decision-making and enabling the public to intervene at the appropriate time.

Similarly, the CAO should feel comfortable providing the media with background information to a particular news story while declining to be interviewed or quoted on policy matters. The CAO should ensure political comment is referred to the Mayor/Reeve.

While certainly not generally considered to be the single most important component of a comprehensive evaluation, a CAO's relationship with the public and the media is too important to be ignored. In terms of external evaluators, the public is the ultimate client. Surely in a service-oriented industry such as local government, what the consumer feels must be viewed as important.

8. THE PERFORMANCE APPRAISAL PROCESS

Despite the best of intentions by Council, the appraisal of the CAO's performance can be ineffectual and disappointing to both the manager and Council unless it is properly organized and conducted. The process has to get at the key issues in an open and, hopefully, friendly environment. Council members, many of whom will have had little experience in this regard, will need to feel at ease with the process given its importance.

Although there need be no hard and fast rule applied to the choice and designation of the process which any Council might select, a number of elements are essential and should be included. The following outline of eight steps includes the key elements in logical sequence and, thus, may be useful as a guide.

Step 1. The Position Description

Obvious as it may seem, the need for a full and complete position description (or manager's bylaw) is not always fully appreciated until problems develop. Council may outline these duties in the appointing bylaw or may simply refer to the attached schedule of duties (position description) as clarification.

This description should be both comprehensive in its scope yet sufficiently detailed so as to not permit ambiguity to inhibit a clear understanding by both parties. The position description may be used to set out in clear terms the principal tasks while the bylaw may describe the power of the CAO to take action such as: to fire, hire or suspend staff; to set levels of remuneration; to accept or award tenders; to purchase items or capital equipment; to reorganize staff; and so on.

The clear expression of these key responsibilities and how the CAO is expected to discharge them must be appropriately defined so as to prevent any ambiguity. If the CAO is to be given a fair opportunity to do a good job, the duties must be both clear by stated and performance criteria set.

It is therefore necessary as Step 1 in the process that Council carefully review the position description with the manager and ensure that all its elements are clearly stated and fully understood.

In summary, step one should represent your attempt to fully describe in unmistakable terms, the key duties and expectations of the CAO.

Step 2. Setting Objectives

The next important step is the setting of objectives for the CAO. These deserve, and should be given, very careful consideration by Council in close association with the manager.

The setting of objectives for the manager should closely reflect the objectives of Council itself. These, however, must be agreed upon by the CAO if they are to be attainable. The process must therefore be a two way discussion between the two parties leading to a full acceptance of the objectives by both. Further, both parties should recognize and accept the possibility of unforeseen circumstances intervening, and be prepared to make allowances for these by mutual agreement. That is, a degree of tolerance by Council is necessary in order to reflect changing circumstance.

The importance of these two factors of initial agreement and periodic mutual review cannot be overstated. When the time comes to assess the manager's performance, the successful attainment of his (or her) objectives will probably constitute the only measurable element of the work.

Due to the likelihood of many members of Council, or indeed full Councils, being uncomfortable with this process of defining work objectives (or key results), it may be beneficial to Council to ask the CAO to prepare the initial outline of what he (or she) perceives as key work priorities. Given that the manager has a day-to-day familiarity with these duties, he (or she) will likely be better positioned to develop at least the initial outline.

These objectives should be described as clearly and briefly as possible, paying close attention to the need of Council to be able to measure the results. As much of the rest of this process is largely subjective, this affords Council and the CAO the one opportunity to focus on expectations and results. Where possible, dates should be set for the accomplishment of the objectives. This will increase the likelihood of realistic measurement while also focusing the CAO's attention on what he (or she) felt was reasonable at the outset.

Step 3. Approval of Format

As Council prepares to conduct a performance appraisal of its CAO, it should ensure it has at its disposal a suitable format for the purpose.

A sample format is appended to this section for use as a guide. It is emphasized, however, that Council alone can and should determine the key elements it wishes to include and the relative importance it wishes to attach to each. It must also accept the fact these can change with time as the make-up of Council, its priorities or its commitments, change.

The format should therefore be regarded as a "live" document, reflecting the current standards and criteria of Council, and therefore subject to regular periodic review. It should also be reviewed prior to every performance appraisal session.

The appended form is a sample guide only and should be adjusted to suit your own preference.

Step 4. Completion of Appraisal Form

Once Council and the CAO are satisfied the format and criteria for the appraisal are fully in line with their requirements for the position, the members of Council are now in a position to proceed to complete the appraisal form. Or, are they? Due to the size of some Councils, a discussion and decision may be needed to determine who should actually do the assessment and/or be present during the face to face discussion. There are essentially three alternatives: the full Council; the Mayor/Reeve; or a committee of Council.

Full Council Review

Because the CAO is the chief staff member of the municipality and the one individual who reports directly to Council, whatever mechanisms (or method) is chosen should afford all of Council some input into the process. While not everyone on Council will have the same degree of contact with the CAO, each will have observed the CAO in various circumstances and will have formed at least a cursory opinion as to the CAO's performance. These insights should be contributed and shared so Council is able to present a composite review which takes the full range of Council views into account.

If the full Council is to conduct the performance review, then decisions will have to be made as to how each member is able to express an opinion and ensure it is considered. Certainly, Council will need to meet prior to the actual review session to determine how each member will provide his (or her) input. Perhaps the simplest approach would be to have the Mayor/Reeve or head of a Personnel Committee prepare the initial draft form and then circulate it to each Council member seeking his (or her) confidential, written input. Once all comments have been received by a pre-set deadline date, the Mayor/Reeve (or designate) should prepare a revised, summary report which attempts to reflect the majority view. Where there are strong minority views, these should be included even if they are shown as being a minority opinion. If the dissent emanates from one person, that view may either not be presented or else the chairman of the review session may wish to note at the outset of the discussion that the opinions presented are not unanimously held.

Review by the Head of Council

Some Councils may wish to defer the total process to the Mayor/Reeve given his (or her) status as chief executive officer and the likelihood the Mayor/Reeve will have had more contact with the CAO. Such a practice should be discouraged for several reasons:

1. The Mayor/Reeve is but one member of Council whereas the CAO is expected to report to the whole Council;

2. The Mayor/Reeve and the CAO may have a great relationship or a terrible one. Either way, it will be difficult for the Mayor/Reeve to present a composite picture of the CAO's performance as viewed by all of Council.

3. The Mayor/Reeve may be uncomfortable in such a process and may neglect it or underplay its importance.

Review by a Committee of Council

A committee of Council may be the most satisfactory for Councils of seven (7) members or larger. This would ensure a representative view is being presented without undue bias and, due to the smaller size of the group, the CAO may find the session to be less intimidating. A thorough discussion can result without the inhibition or degree of discomfort which often is felt in larger groups. The key, of course, is to ensure that the committee is indeed reflective of the entire Council and is not representative of only one point of view which may exist on Council.

Rating

In the sample format appended to this section, a rating scale of four levels is used. This, however, could be expanded or reduced if considered necessary by the particular Council. In any event, Council should make every effort in support of each rating, to provide an explanatory comment on how it was derived.

Because of the subjectivity of much of the assessment, it is to be expected that not all members of the committee or Council will arrive at the same judgement. In the interest of fairness, differences of this kind should be fully discussed between the members and if possible, settled by consensus at this stage. Failing this, a detailed record of any disparity should be made for resolution at the next step of the process.

Step 5. Review by Mayor (or Reeve) and Full Council

The purpose of this step is to ensure all members of Council are in general agreement with the ratings and comments recorded by the committee or by the member who has recorded the total input of Council. It, however, also provides an added opportunity for all members, who may have not previously voiced an opinion, to do so. In this way it is possible for Council to gain insights to the personality, character and competence of the CAO that might not be revealed otherwise.

Bearing in mind the significance of the position under assessment, it is of the utmost importance to ensure no effort be spared in arriving at a unanimous evaluation of the incumbent.

At the same time, Council should make full use of the opportunity this provides to discover whether or not there are gaps or deficiencies in their lines of communication with the CAO. If such are suspected, they should be carefully noted for discussion with the CAO.

The objective of this step in the process is to arrive at a generally accepted concensus evaluation of the performance of the CAO. This must be achieved before Council moves on to the next step of the process.

Step 6. Meeting with the CAO and Evaluation Committee (or Council)

At a mutually convenient time, the Mayor/Reeve and Council should meet with the CAO, in camera, to discuss the appraisal. The time and date should be established a couple of weeks in advance.

Council should ensure sufficient time has been reserved for this meeting so it will not be rushed or limited in any way.

The Mayor/Reeve (or chairman of the committee) should outline the perceptions of Council as recorded on the form, and encourage the CAO to offer his (or her) comments in each case. In doing so, a positive approach should be maintained and argument should be avoided as far as possible.

The objective of the meeting is to convey to the CAO a clear indication of how his (or her) performance is viewed by Council, and if necessary, where and how this could be improved. The CAO should be invited to comment on how any suggested improvements or changes could be achieved and encouraged to undertake these as part of his (or her) personal objectives for the future.

Where problems in performance are noted, the CAO should be afforded sufficient time to provide his (or her) explanation of the event(s) in question so as to ensure the issue was not simply a matter of poor communication or misinterpretation. Allowing the CAO the right to provide his (or her) assessment of any noted problems at this stage might require Council to consider amending the appraisal by adding a clarifying note or a revised rating and/or comments.

Such a procedure reflects the view this should be a shared review session and not a one way process.

When all the points in the appraisal have been covered, the Mayor/Reeve and the manager should sign the form in triplicate with each party retaining a copy and the third going to the Council's confidential personnel file.

Step 7. Establish Objectives for the Next Appraisal Period

Shortly after the appraisal meeting, the Mayor/Reeve and Council should meet with the CAO to review his (or her) objectives for the next period. These should have been prepared in advance by the CAO and should reflect his (or her) knowledge of the aims and objectives of the Council as he (or she) perceives them.

The Mayor/Reeve and Council (or a committee thereof) should take the opportunity to supplement or modify the CAO's list of objectives to ensure compliance with that of Council. Where possible, these objectives should be as specific as possible and time-oriented. That is, an attempt should be made to avoid listing only the general statements of intent which do little to focus the energies and attention of the CAO. It should be clearly understood that the day-to-day matters of administration will be carried out by the CAO in keeping with his (or her) position description (or bylaw). The performance objectives will reflect these but will also be targeted at the specific objectives of the CAO for the coming year.

The intent of this session is to clearly establish the indicators by which the CAO's performance can be assessed at the next appraisal period. In summary, these should be a combination of the responsibilities as well as specific targetted objectives.

Step 8. Ongoing Review

Periodic meetings throughout the appraisal period should be promoted and encouraged. These should be fully utilized to modify and adjust the objectives as events and circumstances dictate and to provide feedback to the CAO on day-to-day performance issues.

Council should review this matter with the CAO and develop a schedule of such meetings which enable feedback and a mutual sharing of concerns to take place without occurring so often as to lose their impact. A periodic review of say every three months may be appropriate.

The importance of these periodic reviews cannot be overstated. Not only do they provide assurance of continued agreement as to the nature and priority of objectives between Council and its CAO, such meetings also promote the development of trust and effective communication.

9. PERFORMANCE REVIEW RESULTS

While it is acknowledged that conducting performance reviews may seem to be time consuming or perhaps even redundant by some people, there are some very real benefits which are likely to accrue to the organization.

Performance reviews, if done correctly, require communication. They are properly based upon two way dialogue between the employer and employee. Such reviews enable views to be expressed and shared in a forthright manner wherein concerns as well as recognition for good work are highlighted.

Secondly, performance reviews, in exposing problem areas, set the stage for early corrective action. Where work deficiencies are noted, the employee is able to determine what results are expected. Encouragement to improve can be offered and deadlines for change established. Inadequacies are not overlooked but are pinpointed, discussed and the necessary corrective steps determined.

Thirdly, positive performance feedback will likely increase productivity and effort. Happy employees are generally more motivated to produce even better results. Job satisfaction is often far more rewarding than simply a salary increase without such verbal or written recognition of performance.

Fourthly, a comprehensive discussion between the CAO and Council will also include a review of the organization's strengths and weaknesses. This will point to necessary corrective steps by the corporate leaders (Council) and by the CAO and staff. Again, early recognition of corporate problems should result in performance improvement. As well, corporate goals and objectives can be discussed and reviewed thereby setting the stage for the next appraisal period.

Fifthly, senior executives are more likely to stay with an organization which recognizes and appreciates their talents and efforts than one which remains mute on the topic. While some Councils seem to operate on the premise "If you were not doing a good job, we would have told you", Council must recognize feedback on a regular basis is appreciated and wanted by the CAO. This ensures the CAO realizes Council is satisfied with his (or her) performance and there is thus no reason to be looking for other employment.

Performance reviews should be seen as a strong ally and technique of both Council and the CAO. Formal assessments require a stock-taking - a reflection of what has transpired over the appraisal period. They ensure that complacency does not reduce the recognition by both Council and CAO that a good relationship is founded an open, honest and regular communication.

In summary, performance reviews:

- improve communication throughout the organization;
- set the stage for corrective action;
- increase productivity and effort;
- ensure that the organization's strengths and weaknesses are reviewed; and
- encourage the CAO to remain with the municipality.

APPENDIX I

SAMPLE FORMAT: MUNICIPAL PERFORMANCE REVIEW

Employee's Name: _____

Date Appointed to Position: _____

Date of Appraisal Meeting: _____

Salary Range: _____

Current Salary: _____

Date of Last Revision: _____

PURPOSE OF PERFORMANCE EVALUATION

Performance evaluation for the Manager can serve any or all of the following purposes:

1. To formally discuss the relationship which should exist between the municipality and its chief administrative officer.
2. To relate performance to the role, responsibilities, authority and duties as previously defined.
3. To set objectives and criteria for future evaluation.
4. To recognize strengths and weaknesses and reward or correct.
5. To serve as a basis for salary adjustment.

PERFORMANCE EVALUATION FORMAT

1. Leadership Style
2. Relationship to Council
3. Relationship to Staff
4. Objectives and Accomplishments
5. Areas for Improvement
6. Follow-up

PERFORMANCE EVALUATION FORM FOR THE POSITION OF MUNICIPAL MANAGER

Rate each factor according to your perception of the performance of the Manager in the past year. Provide narrative comments or examples to illustrate.

Rating Criteria

1. Outstanding
2. Above Standard
3. Standard
4. Below Standard

	RATING	COMMENTS
LEADERSHIP STYLE		
a) Strength of administrative leadership, decision making ability (eg. decisiveness, quality); approachability & responsiveness	_____	_____
b) Quality of advice, guidance and direction given Council for the development of its decisions and policies	_____	_____
c) Planning and organizing (setting long and short term objectives)	_____	_____
RELATIONSHIP WITH COUNCIL		
a) Understanding of the Council's mandate and responsibilities in relation to that of the Manager. Ability to respond quickly and appropriately to the direction of Council.	_____	_____

b) Quality of communication with the employer. Ability to present reasonable & professional views in a straight-forward pleasant manner. _____ _____

c) Public respect for the role of elected officials _____ _____

RELATIONSHIP TO STAFF

a) Communicates to senior staff, the goals, ojbectives, priorities and decisions of Council _____ _____

b) Delegates appropriate responsibilities and authority to staff. Provides follow-up assistance as necessary. Encourages staff growth as individuals. _____ _____

c) Provides good leadership, senses the need for direction and provides a good example. _____ _____

OBJECTIVES (These should be developed by the Manager and reviewed with the Mayor and Council.)

Key Objectives	Results

OVERALL IMPRESSION OF PERFORMANCE AND RESULTS ACHIEVED

_____

_____

_____

KEY AREAS FOR IMPROVEMENT (Rank in order of importance 1-5)

a) Policy advice; development of new initiatives _____
b) Leadership vis-a-vis staff _____
c) Budgetary advice and control _____
d) Relationship to Council _____
e) Public Image _____

FOLLOW-UP

Indicate those measures or steps which should be taken by the senior officer over the course of the next appraisal period to improve his/her performance (eg. types of external or internal development courses/seminars, changes in management practices, etc).

_____

_____

_____

SIGN OFF

Signature of the Manager (this indicates only that this appraisal has been discussed with you,not whether you agree or not with the comments/rating).

_____ _____

Mayor or Deputy Mayor Manager

Date: _____